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SPEECH

OF

HON. WILFRED LAURIER, M.P.

ON

THE BUDGET

OTTAWA, THURSDAY, 12TH APRIL, 1894

Mr. LAURIER. Mr. Speaker, I do not rise on this occasion with the hope nor even with the intention of affording anything new to the discussion which has taken place in this House for some two weeks past. My object is simply to review the arguments which have been offered from this side of the House against the policy of the Government, and in this respect, perhaps I might rest content with the effort of an hon. gentleman who does not belong to the Opposition (Mr. McCarthy), who, in what I consider one of the most remarkable speeches ever delivered in Parliament since I have been here, has exposed what is, perhaps, the fullest, the most detailed and the most comprehensive arraignment of the policy which has been pursued by the Government for the last fifteen years. With regard to the debate so far as it has gone up to the present moment, I may be allowed to remark, that to the extent that it has been participated in by members and supporters of the Government, it has been characteristic that one and all have expressed their unbounded satisfaction with the proposed amendments to the tariff. It may not be uncharitable to suppose, and perhaps to say, that, if there had been no amendments whatever, the satisfaction of the supporters of the Government would have been just the same, because all their arguments—we have all heard them—were in support of the tariff as it existed and as if it had not been amended at all. At all events, there is this satisfaction; and to the members of Her Majesty's loyal Opposition it is a satisfaction which might be termed pride: that at last, after many efforts and many assaults, the Government have been forced to capitulate, forced to come down from their position of hide-bound protection, forced to yield to the determined protests and remonstrances of a long-outraged people. Whether the amendments proposed to the tariff, whether the concessions offered by the Government, are sufficient or insufficient to meet the just expectations of the people, is the question which at present is the issue before this House and before the country. Whether the measure of relief offered by the Government, if indeed I may use such a dignified expression as "measure of relief"—is adequate or not adequate, is a question which may be held to depend very largely upon the views entertained by those who offered it as to the necessity of any reform at all; and, judged by that rule, it must be found upon examination that the measure presented by the Government is

stamped with the stamp of inadequacy and insufficiency. Why, Sir, it is within the recollection of every one here, that the whole of the speech of my friend the Finance Minister, wherein he introduced his amendments to the tariff, was in favour of the proposition that there was no necessity, and no need for any reform at all. He told us that the formation of the tariff was perfect in itself, that this country was enjoying an unbounded measure of prosperity, and that this was all due to the principle underlying the tariff, that is to say, the principle of protection. For three hours, at least, the hon. gentleman piled up facts upon facts with the object of making us believe that the country is prosperous; for three hours, at least, he wrestled, desperately wrestled, with facts and logic, with the same end in view. Why, Sir, you heard the hon. gentleman driven to the expedient of giving it as an evidence of prosperity, that during the last fifteen years which the country has been under a protective regime, the finances of the country balanced year after year by surpluses which now aggregate the enormous sum of $20,000,000. This fact, which I do not hesitate to say to the hon. gentleman, is nothing short of a disgrace and a shame for the Administration, was treated by him as a boast. I assert that such a condition of things is a shame and a disgrace to any Government. In England the aim and the purpose of the Chancellor of the Exchequer is so to calculate the expense and the expenditure as to make them balance evenly, and the reputation of the Chancellor of the Exchequer would be lost for ever if, year after year, his calculations were found to be wrong. If, instead of having just the revenue which is wanted to meet the expenditure, it was found that there was such a discrepancy in his calculations as exists in Canada, the reputation of the Chancellor of the Exchequer would, I repeat, be lost for ever, unless he were able to show that the discrepancy arose from a sudden disturbance in the condition of business. What is the truth about these surpluses? Twenty millions of dollars, says the Finance Minister. The truth is, that these surpluses represent $20,000,000 of unjust taxation, which have been wrung by the Government from the consumers of he country; twenty millions of dollars which would have been left in the pockets of the people for the purpose of their own business, for instance, to be applied to the redemption of the mortgages with which the country has been plastered during that term of years. What is the truth about these surpluses? If it is an evidence of prosperity that we should have surpluses, why, in the name of common sense, is the hon. gentleman to-day proposing a reduction of duty, which places him, as he says himself, in the face of a deficit? The truth is, that if the hon. gentleman is now reducing the duty, it is because the people have seen the true inwardness of these surpluses; it is because the people are in earnest; it is because they are determined to be relieved of a system of taxation which indeed produces surpluses in the pockets of the Government, but which takes millions of money out of their own pockets. But, Sir, even while my hon. friend was indulging in these loud boastings, which constituted—and I say it without offence—the main part of his speech; even at the moment while he was exhibiting for the admiring gaze of his friends these glowing pictures of prosperity, it was evident that his vision was haunted by a pursuing shadow. Even at the moment while he was making use of his extravagant language in encomiums of the National Policy, the thought must have struck him, that it was, after all, a singular thing that one million of Canadians had deserted this land of plenty. The thought must have struck him, because he paused in his laudatory refrain to notice that fact. He tried to explain it away anyhow or somehow, and the explanation which he gives, I commend to both friend and foe; I commend it, not on account of its novelty, because there was no novelty in it. We have often heard it before; we have heard it since. The explanation was that if, after all, one million of Canadians have deserted this land of plenty, this prosperous country of ours, it was not because their native land, which God had made fertile, had been made barren for them by a vicious policy; it was because the Grits were decrying the country. But, Mr. Speaker, I submit that if the Grits have been decrying the country for the last fifteen years, the Tories have not been mute dogs by any means. They were extolling the National Policy to the skies. And yet, in spite of all their assertions, the people rather believed the Grits, who were decrying the country, than the Tories, who were proclaiming the country to be prosperous. If I notice an argument of this kind, it is not for the purpose of giving any answer to it. It is simply to notice the great compliment paid by my hon. friend to the policy of the Liberal party. If my hon. friend and his friends beside him are sincere, if they believe that the country was as prosperous as they say it was, and if they believe at the same time, that, prosperous as the country was, the people believed the Grits who said it was not prosperous, what a tribute that is to the hold that the Liberal party have upon the people of this country. Why, Sir, I do not wonder that the hon. gentlemen opposite trembled in their boots at the idea of the fate that would come to them if only we could meet them at the polls on fair terms, free from the gags of the Gerrymander Act, and the gags of the Franchise Act, with the people in such a position as to be able to give their opinions at the polls as they have them in their minds and hearts. Let me come to the speech of my hon. friend, after this digression. There was but one logical conclusion to that speech; it was to maintain in its entirety the National Policy, which had

done so much, as my hon. friend claimed, to promote the prosperity of the country. And yet, strange to say, after having extolled for three hours the National Policy and the principle of protection, my hon. friend concluded by announcing that the Government had determined to lay sacrilegious hands upon that sacred ark; though, it is true, my hon. friend proceeded at once to give an excuse for such a sacrilege. The excuse was that since 1878 the conditions of trade had somewhat changed, and it was to meet the new conditions now existing that the amendments were offered. But, Sir, I am within the judgment of every man in this House when I assert that in not a single instance, so far as any particular item was concerned, did he say anything which would support his contention that the change was necessitated by the altered conditions of trade. No, Sir; that is not the true spirit which has moved my hon. friend in making these changes. It was not because he was convinced that the conditions of trade had changed; but, as the fear of the Lord is the beginning of wisdom, the fear of the people may be the beginning of some wisdom on the part of my hon. friend. It was simply because he had the fear of the people before his eyes that he determined to do something to alleviate their discontent. But, Sir, my hon. friend was between fear and fear—fear of the people on the one side, and fear of the monopolists on the other side. Tossed to and fro by those two conflicting influences, thrown on one side and then on the other—on one side to reduce the tariff, and on the other side to maintain and even increase it—between those two conflicting influences my hon. friend was not able to come to a decision to propose a substantial measure. He simply proposes a mere perfunctory measure, in which there is not enough to disturb, but not enough to afford to the people the measure of relief which they had reason to expect at the hands of the Government. But, Sir, I suppose it will be said by hon. gentlemen on the other side, what else are we to expect from the Opposition? We could not expect that they would be satisfied; and they are naturally playing their own role in expressing their dissatisfaction. I will presume, for the moment, Mr. Speaker,—though, perhaps I shall not be pardoned for taking such a liberty—to speak not as a member of the Opposition, but I will endeavour to place myself in the position of those who, in 1878, were of opinion that a change was necessary, and that protection should be given a trial. Placing myself in that position, I say that if there were, in 1878, reasons for trying the system of protection, there are now overwhelming reasons why the policy then adopted should be abolished—not changed or altered, more or less partially, but abolished in toto, and the principle thereof wholly rooted out of the tariff. My hon. friend, in the course of his speech, stated that the conditions of trade had changed since 1878; but, so far as I remember, he specified no such conditions in his comments on the alterations. But I will point out an alteration which has taken place since 1878 in the trade and production of the country—an alteration of the greatest consequence, which, in my judgment at least, is nothing short of an absolute revolution in the history of political economy. I refer to the enormous decline which has taken place in the price of wheat, and in the price of all cereals and agricultural products, since 1878. In 1878, and for some time afterwards, the price of wheat was about $1.20 a bushel. Of course, there were fluctuations and variations, the price being sometimes above and sometimes below that figure, but never very far from it. What is the price of wheat to-day? About 55 cents a bushel. There have been jumps up and down, but from year to year the price has shown a steady decline until it has reached that low figure. Nor is it certain that it has yet touched bottom, though there may be reason to suppose that for some years to come the present value will remain the standard value. Now, before I proceed any further I must remind the hon. gentlemen on the other side that one of their objects in adopting the protective system in 1878 was to increase the price of wheat, and the price of cereals generally. It was contended at that time that the cultivation of wheat was not profitable, even at the price which then ruled; and it was their boast that by the adoption of protection the price would be increased to the producers. It is true, Mr. Speaker, that hon. gentlemen opposite have chosen to forget that page of history; but, if they forget it, it only proves that, apart from their other failures, they are afflicted also with a very deficient memory; and you will find a deficiency of memory, even in quarters where you might least expect it. There is my hon. friend from West Assiniboia (Mr. Davin) whose brilliant gifts we all admire. It is sad to reflect that those eminent gifts of his are marred by an absolute want of memory. The hon. gentleman looks at me with astonishment. I was no less astonished when I read the other day in the Montreal 'Star,' an interview with him, in the course of which he makes use of the following language:—

> In that year we never did what Sir Richard Cartwright on Friday night accused us of doing—say that by duties we could raise the price of wheat in a depressed market.

Why, it is true that in 1878 my hon. friend from Western Assiniboia (Mr. Davin) was not a member of this House, but he was then, as he is to-day, a distinguished member of his party. He defended its cause with pen and tongue; he defended it in the press and on the hustings. He was even a candidate, though an unfortunate one, in 1878. The position the hon. gentleman then took

he has since forgotten. He has forgotten the arguments which, I will not say he made use of, but which certainly he must have heard in the mouths of his friends. Has he forgotten that at that time it was predicted—probably by himself—that if we had a protective system, the land would be dotted with tall chimneys, there would be labour for the sons and daughters of Canada, and not only that, but for the large immigration which would pour into our land from abroad? And that the increase of labour would be mand an increased production of food, and that the price of wheat would be increased accordingly. If my hon. friend has forgotten these arguments, I must conclude that, as it is natural to man to readily believe what he desires, it may be natural for him also to forget what is unpleasant. Why, Sir, I had the curiosity some few days ago to look over the debates which took place at that time, and I found a speech delivered then by a gentleman who represented one of the Hurons (Mr. Farrow), who repeated the story told year after year in 1876, 1877 and 1878, that the price of wheat would be increased by protection and diminished by free trade. And this sentence I found in one of his speeches:

> The following figures would show the relative prices obtained under protection and free trade. From 1849 to 1861—a free trade period comparatively—the farmer obtained $1.20 per bushel for his wheat; from 1862 to 1874, a period under protection, he got an average of $1.37 per bushel.

That was given as an evidence that if we had protection, the price of wheat would be increased. Well, shortly after the adoption of the National Policy, the price of wheat jumped from $1.20 to $1.40 per bushel. In those days Mr. Rufus Stephenson represented the county of Kent, but has been taken since to his reward—and in saying that, do not imagine that I say he has been taken to another world. On the contrary, he has received the reward which very often awaits a good supporter of the Government. He has been provided with a good berth in the Civil Service. But Mr. Stephenson, finding that the price of wheat had jumped from $1.20 to $1.40, gave that as an evidence that the National Policy had increased the price. And in one famous speech which he delivered in the province of Ontario, looking back to what he had predicted and at the existing facts, he imagined that he had been more a prophet than he intended, more of a political economist than he supposed; and in a moment of exultant triumph, he exclaimed: I am going to vote for the Government which has brought up the price of wheat to $1.40. Now, if Mr. Stephenson had not been taken to his reward, if he were still a member of this House, with a parity of knowledge he would have to say: I am going to vote against the Government which has lowered the price of wheat to 55 cents. I doubt very much that he would do so. Perhaps, like the hon. member for Assiniboia (Mr. Davin), he would rather take refuge against his former record in the vacuum of his memory. But what is the cause of this decline in the price of wheat? In the days of old, when Imperial Rome had a population of four million souls, when it held sway over the whole then known universe, when it was not only the political, but the commercial centre of the world, it drew its food supply from the lands washed by the basin of the Mediterranean, from Spain, Egypt, Sicily and even that part of Africa now known as Tunisia and Algeria—lands which have long ago ceased to be wheat-growing countries. In the present day, England is the great commercial centre of the world, and like Rome she cannot produce wheat enough for her own consumption. She has to import it from abroad, and for many years, apart from what she got from her own territory, what she wanted was obtained from the continent of North America. But of late years, with the facilities of transportation, to these former sources of supply have been added others—chiefly the vast plains of southern Russia, the numerous valleys of India, and even the valley of the Plata River in South America. Now, having so many sources to draw from, it is not perhaps surprising that wheat should have reached in England a lower price than at any period known to history. And at last we have the acknowledgment—we had it even yesterday from the hon. member for Centre Toronto (Mr. Cockburn)—that the price of wheat in Canada is regulated by the demand in England. How often have I heard that proposition contested in the days of old by the advocates of the National Policy? How often have I heard it stated that the Government would not be flies on the wheel, but would by their policy, increase the price of wheat to the consumers. Now, at last they are forced to acknowledge that all their pretensions were pretensions only, that it is not in their power to increase the price of wheat, that the price is regulated by the demand in the English market. What is true of wheat is also true of all other agricultural products, with the exception, perhaps, of cheese and butter. What is the conclusion we must arrive at? It is this, that to-day the price of wheat and other cereals has been decreased to the farmer almost one-half, and that his profit has been decreased to one-half what it was in 1878. Such being the case with regard to the position of the farmer, his income being diminished by more than one-half, how is it with what he has to buy? Hon. gentlemen opposite are strong in denial, but they will not longer deny, that the primary object of protection was to increase the price of commodities—to increase the profits to the manufacturers on the articles the farmer has to buy. It is true that the farmer was promised that he would be recouped, even if he had to pay a little more for his commodities, by the increased price of wheat. But such has not been the case, the tariff has not in-

creased the price of wheat and other cereals, because Canada produces a surplus of agricultural products, and the price is regulated by the English market. Not so, however, with manufactured goods. Though I admit that the price of manufactured goods, even in this country, must be the price in England, still to this must always be added the cost of transportation, which is unavoidable, and the amount of duty which is avoidable.

Mr. FOSTER. All avoidable ?

Mr. LAURIER. Yes, when it is raised, as you gentlemen are raising it, not for revenue, but simply to favour special interests.

Mr. FOSTER. Then it is not all avoidable.

Mr. LAURIER. But a protection tariff is avoidable. Of course there is a limit, and that is the necessity of the revenue. That, however, is not the limit set by the hon. gentleman. But we are told also that the prices of manufactured goods are being decreased. I have no hesitation in admitting that the prices of manufactured goods have decreased; but, even in the lines in which they have most decreased, the cost of transportation and the amount of the duty cause them to be, as I have stated, from 30 to 40 per cent more than the price of these goods in England. Now, Sir, if the tariff had operated the same all round; if it had affected the prices of agricultural products and manufacturing products alike; if it had either increased or decreased the prices of both, the position of the farmer would be better than it is. But, it is not so, as I have already said. The produce of the farmer has been driven to the lowest point, but what he has to buy is sold to him at an increased price as compared with the price in England. What is the lesson to be deduced from this state of things. It is this: (and this is the proposition we rely upon on this side of the House) as the price of agricultural products has been reduced to the lowest point, it should be the aim of the tariff to reduce the prices of manufactured goods also to the lowest point. The farmer is bound by his circumstances to sell in the freest and cheapest market; so also ought he to be privileged to buy in the cheapest market consistent only with the imposition of such duties as are necessary for raising the revenue of the country. That is the proposition on which we stand, and it is a proposition perfectly fair, perfectly just, perfectly equitable—so fair, so just, so reasonable and so equitable, that the Government dare not attack it openly. And yet they cannot adopt it. Why? Because they are chained and yoked to a system which is the reverse of just and fair and equitable. Why, Sir, I will take the policy of my hon. friend the Minister of Finance as set forth by himself. He said there were three methods of raising revenue:

"One is to have simple free trade, under which you have no customs imposts at all, the revenue necessary for the country being raised by direct taxation.

We had supposed up to the time the hon. gentleman spoke that this was the English system. We supposed this upon the authority of Sir Robert Peel, Richard Cobden, Bright and Gladstone. But, my hon. friend says, all these authorities are in error, that they have not free trade in England—that they have what he calls a revenue tariff. I shall not discuss that with my hon. friend. I shall accept the opinion of the English people that they have free trade. But, whatever system they have in England, whether it is free trade or revenue tariff, my hon. friend and the Government will have none of it. And why? They give us reasons. One of their reasons is that England is going down all the time under such a system. The hon. Minister of Marine and Finance gave his reasons. I hope his opinions are not shared by all the gentlemen on the other side, but, if they agree with him, I do not wonder that they say we should not imitate the example of England. He gave his reasons in plain language. He told us that the British nation under free trade is no longer able to compete with the civilized nations of Europe, but that she is driven to spend millions upon her army and her navy in order to force her trade upon unwilling savages in the uncivilized countries of the world.

Some hon. MEMBERS. Oh, oh.

Mr. LAURIER. Yes; here is the language used by the hon. gentleman:

Driven from the civilized markets of the world, steadily and every year finding their output to those markets decreasing, they spend millions on their navy, and millions on their army, to force their wares, and their goods, and their merchandise, into the uncivilized markets of the world.

Sir, I never yet heard the fair name of the great nation so slandered and insulted. At least I never heard the name of England so insulted by a man of English blood. The charge was not new to me; I had read it in the pages of continental pamphleteers; but I am sure we were not prepared to hear it from the mouth of a man of English blood. And such a man! A Conservative; a Tory; a member of the Imperial Federation League; a member of the Canadian Privy Council; an aspirant, perhaps, to the British Privy Council; a K.C.M.G., and a preacher of loyalty in season and out of season! And is this really the estimate of hon. gentlemen on the other side, is this really what they believe to be the commercial condition of England? Do they really believe, as stated by the hon. Minister, that England is no longer able to hold her own with the civilized nations of the earth? Do they believe that the soldiers and the sailors of England, whose banners bear the proud inscriptions of Malplaquet and Ramilles, Aboukir and Tra-

falgar, the soldiers who once met the steel of the most famous troops of the world, under the greatest general of modern times, perhaps the greatest general of all times, are now employed in forcing upon helpless barbarians the wares and products of Sheffield and Manchester. It is a slander. There was a time indeed when England, then having a high tariff, found closed against her trade, by the power of Napoleon, the harbours of France, Spain, Italy, Belgium, Holland, and even of a part of Germany. These harbours she opened by the strength of her arms. And the hon. gentleman would tell us now that the great nation whose motto in the modern world seems to have been borrowed from that of the ancient Romans—"Debellare superbos" —must retire before the competition of other nations and use her army and her navy to force an undesired trade upon helpless savages and inferior races. I say that to-day England is armed to fight the hostile tariffs of Europe. She has a weapon more potent by far than the weapons of her most valiant warriors. That weapon is the principle of freedom of trade, which enables her to manufacture at a cheaper rate than any nation in the world, and to overcome all the difficulties that are placed in her way. The hon. gentleman spoke of Prince Bismarck and said that Bismarck, having the choice between the English system and the American system, chose the American system of protection. So he did, and a great service he rendered to his country in doing so! Look at Germany to-day, torn by the factions of Socialism, which is the direct outcome of protection. It is true, I admit, that some industries in England have at times been injured by the hostility of foreign tariffs. But the injury aimed at England redounded with ten-fold force upon the nations which inflicted it. You have spoken of Bismarck. Yes; we have greater Bismarcks and smaller Bismarcks in this world. Prince Bismarck wanted to create for Germany a national industry, a special industry, that of beet-root sugar. He commenced to do what was done by gentlemen opposite—he placed an enormous customs duty on foreign sugar; and, not satisfied with that, he induced the German Parliament to vote considerable export bounties upon German sugar. And thus, one day, the English market was flooded with German sugar, which was sold there at a price lower than the English refiners could produce it for. There was naturally some commotion among the English refiners. They went to see the Government and represented that it was impossible for them to compete with the German refiners, fed as these were by bounties. If the Government in England had been composed of the school of hon. gentlemen opposite they would have said: What! German sugar coming to England! Englishmen are too patriotic to eat German sugar. England for the Englishmen! We will have none of it! But they said nothing of the kind. On the contrary, they said: Well, if the German Government is willing to tax the German people in order to supply the British people with sugar at a cheaper rate than it can be produced for here, we cannot see that it is a very great injury to the English people. If the Germans are foolish enough to prefer such an arrangement, why should we complain? The refiners were not daunted. They purchased all the German sugar that was in the market, they converted it into jam, into jelly and into preserves, which they sent back to the Germans at an increased profit; and it has been proved that there were more people employed in England in producing jams, jelly and preserves than there had been in refining sugar. The hon. gentleman tells us that he wants neither a revenue tariff nor a free trade policy, but that he wants a protective tariff. Let me again quote his language:

> The other and third method is the protective tariff, by which you select a certain list of articles and place upon them certain rates of impost with a view to raising a certain amount of money for the services of the country, but more especially with this view, that whilst you raise the amount of money that is necessary for the country, you shall stimulate the development of the resources of the country, you shall make its industrial life broad and diversified, and progressive.

Sir, this sounds very well, and as a mere assemblage of words it can hardly be excelled. If the object of the hon. gentleman is to develop the industries of the country by a policy which will give favour to no one and which will hinder no one, I am with him with all my heart, but that is not the policy of the hon. gentleman. He wants to develop the industries of the country, but in what way? By increasing the cost of commodities, by compelling the people to purchase at a higher price at home than they could obtain the same goods elsewhere. Well, I admit that with such a system he might develop special industries, but I assert that he will stifle the growth of the country. What has been the experience of our north-west country? Surely no one will pretend that Manitoba and the North-west Territories have realized that amount of prosperity which was expected for them at one time. It was expected that in the year 1894 Manitoba and the North-west Territories would have a population of 600,000 souls at least, and you know what a beggarly number were found there at the last census. More than that, you have developed the east at the expense of the west. Why is it that the growth of that country has been stunted? It is simply because in order to favour certain industries in the east you have prevented the people in that country from acquiring their goods at as cheap a rate as they could get them under a freer system of trade. But there is another objection to the system of the

hon. gentleman, and perhaps a more serious objection in a certain way. One of the most serious objections to the protective system followed by the hon. gentleman is this: that it induces the investment of capital in industries which are not congenial to the soil, which cannot stand by themselves, which have to be supported at all times out of the taxes of the people. I can point out to the hon. gentleman a number of instances of that kind; I will only take one or two. Take, for instance, the coal oil industry. Coal oil is taxed in this country 7½ cents a gallon. Last year we imported $430,000 worth, and we paid just as much in duty as the value of the goods, that is to say, we paid a duty of 100 per cent. Well, as a revenue tariff, this would be outrageous; in fact, if the duty were decreased by one-half or two-thirds, we would have more revenue than we have now on coal oil. This is not, therefore, a revenue tariff, it has been imposed altogether for protection, and for nothing else. Even yet, though there is a duty of 100 per cent on that article, that is not all. Other obstacles have been put in the way of the importation of coal oil, amounting to as much, perhaps, as the present tariff. It is calculated upon good authority, that the protection afforded to coal oil is 200 per cent, at least. Well, Sir, it is a fact well known, that Canadian oil cannot be produced as cheaply as American oil. But what has been the effect of all this? Why, that by the protection which has been given against foreign oil, you have induced the investment in the oil regions of a million dollars in capital, and now it is said that you cannot remove that protection because that capital will be wiped out. That may be true, but if it be true that Canadian coal oil cannot maintain itself against American competition without protection, I say it is all the more an evidence of the pernicious effect of a protective system; the pernicious effect is this, that you cannot remove the protection without, to some extent, endangering a large portion of the capital of the country. Well, I admit that is always a grave issue, and a thing which has to be carefully considered. I am clear upon one thing, and that is that such protection, such taxation as this, is unjust; but, at the same time, I am also free to say that, though the tariff in this respect has to be reformed, it has to be reformed cautiously, so as to effect the minimum of injury, and, if possible, no injury at all. I would not be the man to say, much as I deprecate the protective system, much as I believe it to be injurious to the well-being of the country—I would not be the man to say that it should be wiped out at one fell swoop.

Some hon. MEMBERS. Hear, hear.

Mr. LAURIER. I am surprised at these exclamations. I say that protection should not be removed at one fell swoop; but the difference between the hon. gentleman and myself is that they are not prepared to remove it even at a gradual swoop. I would have no fault to find with these amendments to the tariff so far as they go; I would have no fault to find if the Government did not tell us that they are going to maintain the principle of protection. If they were proposing gradually to remove or abolish the principle of protection, I would be with them, but that is not their policy. As the hon. member for West Assiniboia (Mr. Davin) knows very well, this is not a system of scientific protection, it is protection without any science in it at all. What I say about coal oil I also say about the iron duty. How many years is it now? Six or seven years, since the iron duties were remodelled, remodelled to be increased by 50, 60 and sometimes 100 per cent. Now, with what object? With the object of developing in this country the manufacture of pig iron and of bar iron. No one has forgotten, I am sure, the great flourish of trumpets with which those duties were heralded into the world; no one has forgotten, I am sure, the language of Sir John A. Macdonald and Sir Charles Tupper on that occasion. We know how Sir Charles Tupper rolled figures off his tongue, but he never rolled them off as he did on that occasion. Why, we almost heard the roar of the smelting furnaces, we almost smelt the smoke of the charcoal that was to be used in them. There were to be 200,000 men employed in that industry. Well, after six or seven years, what has been the result? The same company who received that amount of protection are again coming to the Government, and, like Oliver Twist, they are asking for more. It has only whetted their appetite. If you increase the tariff, as I hope it will not be increased, the consequence will be that in a few days, in a few years, you will have more capital invested in this industry, and you will not be able to remove that protection, because they will come here and say: Don't touch us; if you do, you will wipe away all the capital we invested in these industries. Now, I want to prevent these consequences to ourselves. I say that a system is false which can produce such results as these. But that is not all. There is something worse than all that in a protective tariff. We charge upon the protective tariff—and no one knows it better than the hon. the Minister of Finance—that it is base and degrading. Under such a system the Government deliver themselves into the hands of masters who are stronger than they, and who hold them fast in submission; and whenever the Government make some attempt at rebellion, immediately their masters take them by the throat and force them back into bondage; and then when they have been forced back into bondage, covered with confusion and shame, they would have the people believe that their attempts at freedom were not genuine, not sin-

cere, but mere "clerical errors." Clerical error, forsooth? I tell the hon. gentleman that the country sees through the phrase, and will not accept the base explanation and the fruitless humiliation. Clerical error! Was it a clerical error which induced the hon. gentleman some few days ago to reduce the duty on democratic wagons from 35 per cent to 25 per cent? That reduction in the duty was proposed in a moment, not of weakness, but of fairness; but immediately he heard the crack of the ministerial whip over his head the Finance Minister was forced into the humiliating condition of coming back and placing again on the farmers' shoulders the duty which he intended to remove. Was it a clerical error also in regard to tea, I want to know, or what is it? The hon. gentleman the other day brought down his tariff respecting tea in such a mild and unobtrusive manner that no one noticed the departure from the old policy. For the last twenty years tea and coffee have been free, with the exception that when imported from the United States they have been subject to a duty of 10 per cent, and from the manner in which the hon. gentleman made the announcement I, for my part, supposed he was re-enacting the old policy without any change. But what are the facts? As the tariff is now constituted, it is intended to levy a tax of 10 per cent on the tea and coffee which comes from England. For what object, I want to know? According to the figures of last year's importations, such a duty collected on tea and coffee would yield a revenue of over $140,000. Is that the object, or is it not? We have been told by some of the ministerial organs that the object is not to levy a duty on tea coming from England, but that the object is simply to build up a trade with the east, to import our tea direct from China and Japan. I want to know, I ask the Finance Minister, or any man in his senses, what object can we in this country have in destroying an industry only to build up another, to prevent a man from bringing in tea from England and compel him to buy it in China or Japan. What object can we have in compelling our tea to be purchased in the east or rather the west. I very much suspect that there is a nigger in the fence, and that he will be discovered. The Finance Minister has taken some pride, and I do not blame him, for he has been showered with compliments, for having removed specific duties. I do not think, however, he deserves all of them. I confess that the hon. gentleman has removed the most iniquitous duties, the infamous duties upon woollen and cotton goods; but the hon. gentleman has still left in the tariff that iniquity called a specific duty. He has, moreover, introduced in the tariff some of specific duties, which he passed over very gently, but which I suspect will press with the greatest weight on the consuming class. There was a duty on syrup last year of 1½ cents per gallon on the lower grade, which is worth 10 cents a gallon, this duty amounting to about 15 per cent. Now the duty on syrup is placed at ½ a cent per pound, not per gallon. I want to know what is the reason that has induced the Government to change the specific duty from gallon to pound? What is concealed underneath? In a gallon there are 14 pounds, and at ½ a cent per pound the duty will be equal to 7 cents per gallon, and on syrup worth 10 cents per gallon this will be equivalent to a duty of 70 per cent, which the poorer classes of the consumers will have to pay. So I say that though we are removing a good deal of the anomaly connected with the specific duties, yet there is a great deal yet to be removed, and which I hope will be removed before we have concluded the revision of this tariff. But I am asked perhaps, what is your own policy on all these matters, what is the policy of the Liberal party? The policy of the Liberal party is not free trade absolutely, as in England, I am sorry to say. This is the ideal, this is the goal which we will reach some day, a long time perhaps, but towards which we are turning our eyes and are directed at the present time. But while we must for a good many years still continue to levy revenue by customs duties, I say even at this moment while levying duties from customs, it is possible to do so upon the principle of freedom of trade. I challenge, we challenge, as completely and absolutely false and vicious, the principle adopted by hon. gentlemen opposite, that duties should be levied, not for revenue, but simply to favour special interests. Our policy is to levy duties, not for special interests, but for the general good of the community. I say this, that under such a tariff even manufacturers will have a better field than under the present system. When manufacturers know that duties are imposed for revenue and are not therefore raised on revenue at the caprice of the Government, and are not liable to be removed from one day to another, they will have a stability in business which they have not under the policy pursued to-day. Take, for example, the agricultural implement manufacturer. He has his protective duty; he knows what it is. He knows what the cost of production will be, but a man comes to the Finance Minister and says: Mr. Finance Minister, I want to establish a special industry, to develop a great trade, and I desire to have a duty on a certain article. We all know the ordinary phrases used. I will employ so many hands, give increased employment, develop the resources of the country. The result may be that the duty is increased, and 40, 50, or 100 industries are thereby placed in jeopardy. When we have a tariff for revenue only there will be, as I have said, a security which does not exist at the present moment under the policy of the hon. gentlemen opposite. I desire to refer for a short time to the hon. member for West Assiniboia (Mr. Davin), who the other day in his speech fired a shot at me, by

asserting that once upon a time as a young man I had been a protectionist. Well, I am always averse to discussing my own personal opinions or my personal affairs on the floor of Parliament, but I have too much respect for the words of the hon. member not to give an answer to which he is entitled at my hands. Let me say at once that I am somewhat surprised to see the hon. gentleman in his present position. Only a few months ago my hon. friend announced to the world that he was entering into a crusade in favour of tariff reform, his object being to secure scientific protection. Has he found it? The hon. gentleman did not tell us so the other day, he found protection, but no science in changing the tariff. The hon. gentleman only shows after all that a man may be great in learning in certain directions, but his heart may fail him when he comes to carry out his projects. The hon. gentleman also shows that a man may be good at preaching and poor at practising. He is the Peter the Hermit of the new crusade. Peter the Hermit aroused the whole of Western Europe against the east, and raised an army to accompany him to rescue the holy sepulchre. But he weakened before he reached the goal. After leaving the confines of Europe, when his army was in straightened circumstances, and suffering from famine, he lost his head, he grew faint at heart, and deserted the camp and sought a hiding-place. The crusaders followed him and brought him back to camp, and made him swear not to desert the cause he had preached. Shall we not bring the hon. gentleman back into camp and make him swear he will not again offend? I am afraid, however, we shall have to perform the duty without him. The hon. gentleman has made the charge against me, that in my young days I was a protectionist, a charge as to which I have to offer neither denial, nor defence, nor justification. If it be a crime as you advance in life to think and reflect, and by thought and reflection to review the ideas of younger age, and to substitute for the inexperienced views of youth the more calm and more deliberate opinions of mature age, I have to plead guilty of many crimes of that kind; because apart from political economy many are the subjects as to which I do not hold now the views which I held twenty-five years ago; and if I had to commence my career anew, in the light of the experience which I have acquired many I hope are the mistakes I would avoid. I have to say to my hon. friend from West Assiniboia (Mr. Davin), that if in this respect he has been more fortunate than I have been, I do not envy his good fortune at all, but I hold that I have not grown older in vain, and that I am wiser to-day than I was twenty-five years ago. If I wanted to justify myself there are the most illustrious names of the world that would come to my lips: the name of Robert Peel, the name of Gladstone, and what more could I want. But, Sir, I do not stand upon this ground at all. I stand upon the ground of principle and the condition of the country. What is it that is wanted to-day in Canada to develop Canada as she ought to be developed? It is population and nothing else. There have been a series of letters published in the London 'Times,' which perhaps members of this House have all seen, but there is a sentence to which I shall specially call their attention. Speaking of Canada it says:

> Her equipment for internal development is excellent, and the greatest want she has is lack of population.

Population is our greatest lack; what we want is population. And, Sir, when I consider that once I was a protectionist in my younger days, and when I consider that during a decade from 1871 to 1881 under a revenue tariff the increase of population in Canada was 13 per cent, and that during the decade from 1881 to 1891 under a protective tariff, this increase of population fell down from 13 to 9 per cent; I also remember the famous words of Victor Hugo when he said: The absurd man is he who never changes; and I leave it to gentlemen on the other side of the House to remain protectionist in the face of these facts.

Mr. DAVIN. My hon. friend has not met my charge.

Mr. DEVLIN. Your charge is discharged.

Mr. LAURIER. Mr. Speaker, the hon. gentleman also stated that in 1872——

Mr. DAVIN. Mr. Speaker, may I rise to order?

Some hon. MEMBERS. Order.

Mr. DAVIN. I am in perfect order. The hon. gentleman professed to state a charge that I made against him. If he will permit me to say so—of course it was unintentional on his part—he has not stated my charge, and I think it is in perfect order that I should say what the charge was. The charge was not that in the course of twenty years he changed his mind; but that a few years after proclaiming himself a protectionist and in favour of a number of other things, he went into Mr. Mackenzie's Government and was as silent as that desk.

Mr. LANDERKIN. It would be a blessed thing if you could get into some place like that.

Mr. LAURIER. Well, Sir, I am sorry to say that there is not anything more to the charge as amended, than as it was preferred before. The hon. gentleman (Mr. Davin) stated that in 1872, the Liberals of Lower Canada while they were assembled in Montreal laid down a platform and adopted as a basis of that platform the policy of protection. I deny the charge in toto. I deny the charge wholly. I am sure my hon. friend has not gone into the records. He must have it from the pickings of newspapers in Lower

Canada, but he never found it among the real facts. On the contrary, the Liberals of the district of Quebec have always been in favour of free trade, and as far back as 1847 the Liberal Association, which at that time was presided over by a gentleman who left an honoured name among us, Hon. René Caron, afterwards Lieutenant Governor of Quebec, issued a manifesto in which I read this :

What the firmness and wisdom of the Liberal party have accomplished with regard to these matters, as well as the admission of the responsibility of the executive advisers, must be for all Liberals an indication of what they will be able to achieve through a more active organization and a more vigorous expression of public opinion in favour of these reforms now required by the present condition of affairs.

And the third article of the manifesto was this :

Free trade with all the world and the free navigation of the St. Lawrence.

This manifesto was issued by the Liberals of Quebec, who were of the school of Mr. Lafontaine. I am free to admit that in the district of Montreal the ideas of Mr. Papineau prevailed, and there was a marked tendency in favour of protection, and in so far as I am concerned, I admit that I have been brought up in the school of Mr. Papineau, but time and again for twenty years at least I have declared in Lower Canada that I was a disciple of Mr. Lafontaine. Why should I not hear the whole truth as to this. The hon. gentleman (Mr. Davin) accuses me of having changed my views upon protection. He said a moment ago that I wrote protection in the newspaper 'Le Defricheur.' I never wrote a word about protection in 'Le Defricheur,' but I made a speech once, I remember, in 1871 in the Legislature of Quebec. That was the only speech which I ever made upon that question in which I brought up the views held by Mr. Papineau and which I had derived from him ; and I am surprised, I must say, that the loyal gentlemen who support the Government should reproach me for not now holding the views which I held then. Sir, it is a well-known fact in Lower Canada, and to those who know anything of the history of Canada : that Mr. Papineau, prior to the rebellion of 1837, laid down as his doctrine that we should buy nothing from England. And when I spoke in the Legislature of Quebec, coming flush with youth and victory, I stated that at that time there was as much reason to adhere to the policy of Mr. Papineau as in the year 1837. But, Mr. Speaker, what did I find ? When I went to the facts I found that Mr. Papineau had not introduced that doctrine for any reason of political economy, but simply for political reasons to fight the British Government and to force them to give us that protection for our liberties which we required, or else to force the country into independence. Shall I read the resolution moved at the famous meeting held on the 7th of May, 1837 ; a resolution which was not moved by a Frenchman, but by an Englishman, Dr. Wilfred Nelson. It was as follows :—

That the measure of Lord John Russell, which takes away from the Assembly all control over the revenue, is a flagrant violation of all the rights granted to Lower Canada by the capitulation and the treaty.

That the Government which can adopt such violent measures and thus destroy right, by force and violence, is a contemptible Government unworthy of respect and even of allegiance.

That the people of Lower Canada will refrain as much as possible from the consumption of imported articles, and will make use of products manufactured in the country so as to deprive the Government of the revenue which it is its hope to obtain by collecting the duties imposed on foreign goods.

Now, Sir, that was a political object as I said, and not an object of political economy, and now that we have obtained all the liberties which we were striving for then, I leave it to gentlemen on the other side of the House to pursue the policy of buying nothing from England, a policy which to-day they are pursuing with a vengeance. Hitherto their policy has been, not to buy anything from England ; and their defence has been : that they applied this policy only to such goods as we produced in this country in order to force their production here. But to-day they have gone a step further, and when they tax tea, it is not for the purpose of promoting the growth of that article. This is the defence which I have to make on that point. Now, Sir, I have only this more to say : Speaking here in the maturity of my years and in the maturity of my convictions, formed, as I hope, by deep reflection and thought, I say this—and in saying it I am voicing the sentiments of all the Liberals in this country—that whatever may be our future relations with England—whether we remain as we are to-day, or whether the bond between us becomes closer or looser—it shall always be our aim and purpose to cultivate and maintain and promote, not only the most friendly sentiments, but also the most ample business relations with the great nation which, notwithstanding all that may be said by hon. gentlemen opposite to the contrary, is to-day by all odds the foremost commercial power that the world has ever seen.